
BOARD OF TRUSTEES OF THE INDIANA STATE TEACHERS' RETIREMENT FUND

Resolution No. 2010-12-01

Adopting rules related to the administration of the Fund as described herein.

WHEREAS, the Indiana State Teachers' Retirement Fund exists to provide retirement benefits to its members, their survivors, and beneficiaries;

WHEREAS, the Board of Trustees of the Indiana State Teachers' Retirement Fund, by statute, administers the Fund;

WHEREAS, the Board of Trustees, pursuant to [IC 5-10.4-3-8](#), may establish and amend rules and regulations for the administration of the Fund without adopting a rule under Indiana Code 4-22-2; and

WHEREAS, the Board of Trustees of the Indiana State Teachers' Retirement Fund wishes to adopt, readopt, amend, and/or repeal certain rules contained or to be contained in the Indiana Administrative Code related to the administration of the Fund as described herein;

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Indiana State Teachers' Retirement Fund that:

SECTION 1. [550 IAC 2-1-2.7](#) IS ADDED TO READ AS FOLLOWS:

[550 IAC 2-1-2.7](#) "De minimis overpayment" defined

Authority: [IC 5-10.2-2-1](#); [IC 5-10.4-3-6](#); [IC 5-10.4-3-8](#)

Affected: [IC 5-10.2-3](#); [IC 5-10.4-4](#)

Sec. 2.7. "De minimis overpayment" means an active, inactive, retired, retired for disability, suspended, or deceased member's ASA account which received an overpayment totaling not more than ten dollars (\$10). (*Board of Trustees of the Indiana State Teachers' Retirement Fund*; [550 IAC 2-1-2.7](#); adopted Dec 17, 2010: [20101229-IR-550100778ONA](#))

SECTION 2. [550 IAC 2-3-1](#) IS AMENDED TO READ AS FOLLOWS:

[550 IAC 2-3-1](#) Suspension of membership; withdrawal of contributions

Authority: [IC 5-10.4-3-6](#); [IC 5-10.4-3-8](#)

Affected: [IC 5-10.2-3-5](#); [IC 5-10.2-3-6](#); [IC 5-10.4-4-13](#)

Sec. 1. No withdrawal of the member's contributions shall be made when the member is currently under a contract to serve in a covered position, while in active service, or on an approved leave of absence from such a position. A withdrawal may proceed only after the member's employing unit has verified that the member is no longer employed and advised the fund of the termination date. ~~School Employer~~ **Employer** verification is not required whenever more than one (1) year lapses from the date of the member's ~~departure from covered employment~~ **separation from employment** and contributions to the fund cease. **An application for voluntary withdrawal of contributions submitted by the member is an affirmation by the member that the member has separated from employment.** (*Board of Trustees of the Indiana State Teachers' Retirement Fund*; [550 IAC 2-3-1](#); filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: [20070404-IR-550070200ONA](#); adopted Dec 17, 2010: [20101229-IR-550100778ONA](#))

SECTION 3. [550 IAC 2-3-2](#) IS AMENDED TO READ AS FOLLOWS:

[550 IAC 2-3-2](#) Membership following the withdrawal of contributions

Authority: [IC 5-10.4-3-6](#); [IC 5-10.4-3-8](#)

Affected: [IC 5-10.2-3-6.5](#); [IC 5-10.4-4-13](#)

Sec. 2. (a) Except as provided under [IC 5-10.2-3-6.5](#), a member is not entitled to receive benefits after membership is suspended and the amount held in the annuity savings account withdrawn unless the member returns to covered employment in Indiana and remains employed for at least one-half (1/2) year.

(b) Should the fund become aware that a member has reemployed in a covered position within thirty (30)

days after having requested the withdrawal and if no withdrawal distribution has been made, the fund will not make the withdrawal distribution **and the suspension of membership shall be automatically deferred and the member shall not be eligible for such refund.** The member shall notify the fund immediately upon accepting such employment. (*Board of Trustees of the Indiana State Teachers' Retirement Fund*; [550 IAC 2-3-2](#); filed Oct 5, 1992, 5:00 p.m.: 16 IR 706; readopted filed Dec 3, 2001, 11:02 a.m.: 25 IR 1731; adopted Mar 27, 2007: [20070404-IR-550070200ONA](#); adopted Dec 16, 2009: [20100106-IR-550090990ONA](#); adopted Dec 17, 2010: [20101229-IR-550100778ONA](#))

SECTION 4. [550 IAC 2-3-7](#) IS ADDED TO READ AS FOLLOWS:

[550 IAC 2-3-7](#) De minimis overpayments

Authority: [IC 5-10.2-2-1](#); [IC 5-10.4-3-6](#); [IC 5-10.4-3-8](#)

Affected: [IC 5-10.2-3-6](#); [IC 5-10.4-4](#)

Sec. 7. If an active, inactive, retired, retired for disability, suspended, or deceased member's ASA account is below the de minimis amount as determined within [550 IAC 2-1-2.7](#), TRF may elect to not collect the overpayment from the member. (*Board of Trustees of the Indiana State Teachers' Retirement Fund*; [550 IAC 2-3-7](#); adopted Dec 17, 2010: [20101229-IR-550100778ONA](#))

SECTION 5. [550 IAC 2-7-10](#) IS ADDED TO READ AS FOLLOWS:

[550 IAC 2-7-10](#) Stale checks

Authority: [IC 5-10.2-2-1](#); [IC 5-10.3-3-8](#)

Affected: [IC 5-10.2-2-3](#); [IC 5-10.2-3-6](#); [IC 5-10.2-4-2](#)

Sec. 10. (a) Whenever a member applies for a distribution from the member's annuity savings account, an effective distribution will be deemed to have occurred as of the date the check is issued. If the member fails to negotiate the check within one hundred eighty (180) days from issuance, the amount of the check may be credited to the fund as posttax monies and it will not be further adjusted for earnings, interest, or losses. The fund will retain the monies until the member claims them in writing.

(b) Prior to the passage of [550 IAC 2-7-10](#) [this section], any member who requested an ASA lump sum full or partial distribution and the distribution check was not negotiated within one hundred eighty (180) days causing the check to go stale will receive interest on the amount of the payment beginning on the one hundred eighty-first day after the distribution was made at the interest rate defined in section 9(e) of this rule. (*Board of Trustees of the Indiana State Teachers' Retirement Fund*; [550 IAC 2-7-10](#); adopted Dec 17, 2010: [20101229-IR-550100778ONA](#))

DATED: December 17, 2010

Ken Cochran

President of the Board of Trustees

Indiana State Teachers' Retirement Fund

Resolution adopted by 5 affirmative, 0 negative votes.

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